



KAFRIT GROUP

**SUPPLIER CODE OF
CONDUCT**

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1. General information

Kafrit Group

Kafrit Group is a leading producer of Masterbatches and Compounds for the plastics industry and is active on global scale with several companies in different countries.

Purpose

Founded in 1973 in Israel and public since 1993, Kafrit Group draws on 50 years of experience in the plastics processing industry, including high levels of accumulated expertise and technical know-how. Following Kafrit Group's purpose – "to unite talent and technology to drive the future of plastics, together", high value is placed on our employees, on meaningful product development, on game-changing technology usage and on contributing substantially to a more sustainable world.

Standards

To successfully achieve our purpose, we use the following ten standards (values) as guides for our daily internal and external activities:

- Ethics
- Technology
- Quality
- Occupational Health & Safety (OH&S)
- Environment
- Employees
- Responsibility
- Leadership
- Teamwork
- Continuous Improvement

Kafrit Group Supplier Code of Conduct

Environmental stewardship, social responsibility and ethical business practices are integral parts of how we want to conduct business. That is why Kafrit Group's Code of Ethics and Conduct is the clear guidance for each employee in Kafrit Group. In addition, our current ESG report transparently outlines what matters to us – including a profound engagement with you as our appreciated supplier.

We live in a regulatory environment which increasingly focuses on establishing sustainable procurement practices, and we as Kafrit Group support this approach. As we are also acting as a supplier to our customers, we voluntarily and proactively engage in sustainability reporting and scoring activities. However, we ourselves can

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only succeed with strong supply partners across the value chain. For this reason, we seek to establish strong working relationships with our appreciated suppliers which are characterized by:

- The supplier's commitment to environmental practices
- The supplier's commitment to labor and social standards
- The supplier's commitment to established governance
- The supplier's commitment to quality

2. The supplier's commitment to environmental practices

The supplier complies with all applicable environmental regulations. Furthermore, ISO 14001 and ISO 50001 certifications are highly appreciated.

The supplier promotes the environmentally sound development, manufacturing, transport, use and disposal of its products.

The supplier uses resources efficiently, applies energy-efficient and environmentally friendly technologies and reduces waste as well as emissions to air, water and soil.

The supplier is eager to set measurable environmental goals (emission reduction goals) and to report on their progress.

The supplier minimizes its negative impact on biodiversity, climate change and water scarcity to protect the livelihood of people.

3. The supplier's commitment to labor and social standards

The supplier complies with all applicable occupational health and safety (OH&S) regulations and furthermore supports the standards of the International Labor Organization (ILO) as its understanding on OH&S is the same as ours in Kafrit Group: OH&S is the most crucial part of our daily operations. We are committed to creating a safe and healthy working environment.

The supplier protects its employees' and communities' life and health against hazards inherent in its processes and products.

The supplier ensures to protect human rights in its operations and for its employees and does not directly or indirectly use forced labor and child labor of any kind, or inputs produced using such labor.

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The supplier upholds the freedom of association and the right to collective bargaining in accordance with applicable laws.

The supplier treats its employees with respect, promotes a diverse and inclusive work environment and prohibits discrimination, unequal treatment, harassment, abuse or inhumane treatment against anyone.

The supplier enables its employees and other stakeholders to report concerns or potentially unlawful practices at the workplace (whistleblowing mechanism).

The supplier complies with minimum wages and working hours in accordance with local laws.

The supplier verifies that materials provided to Kafrit Group companies are not sourced from conflict zones or involve unethical practices.

4. The supplier's commitment to established governance

The supplier complies with all applicable laws and regulations related to developing, manufacturing and delivering products or services to or for Kafrit Group companies.

The supplier considers business integrity as the basis of business relationships.

The supplier prohibits all types of bribery, corruption and money laundering.

The supplier forbids gifts to private persons or public officials that aim to influence business decisions or otherwise encourage them to act contrary to their obligations.

The supplier respects the privacy and confidential information of all its employees and business partners as well as protect data and intellectual property from misuse.

The supplier establishes training measures to allow its managers and employees to gain an appropriate level of knowledge and understanding of the content of this Supplier Code of Conduct, applicable laws and regulations and recognized standards.

The supplier encourages responsible practices throughout its supply chain, ensuring that the sub-suppliers adhere to similar ethical and sustainable standards as well.

The supplier upholds a resilient internal audit system for regular review of compliance.

5. The supplier's commitment to quality

The supplier delivers products that meet agreed-upon specifications, quality standards and customer-specific requirements.

The supplier allows Kafrit Group or authorized third parties to conduct periodic on-site audits to ensure compliance with this Supplier Code of Conduct.

The supplier encourages constant improvement in quality management practices. Especially, the ISO 9001 certification is highly appreciated.

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6. Supplier acknowledgement

Kafrit Group reserves the right to terminate the business relationship if a supplier fails to comply with this Supplier Code of Conduct after a reasonable opportunity to remedy the breach.

We herewith confirm that we acknowledge, support, and comply with this Code of Conduct and its principles.

Company name:

Date:

Name of signing person:

Signature: